



Los Angeles Worker Center Network

## Concept Paper: Labor Standards Enforcement Paves the Way for a New LA

[Link to the concept paper >>](#)

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### SUMMARY

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#### Statement of Issue

**In Los Angeles, the dual crisis of homelessness and wage theft underscores the need to strengthen labor standards enforcement.** Los Angeles is the wage theft capital of the nation, leading Chicago and New York—other major contenders—by a full 20%. Loss of income has been identified as the most frequent reason for becoming unhoused. Yet, the lowest-income Angelenos lose an estimated 12.5% of take-home pay to wage theft every year.

During any given week in Los Angeles, 88% of workers experience a violation, including (but not limited to):

- 80% who work overtime do not receive overtime pay;
- 30% receive less than minimum wage;
- 80% work through meal and rest breaks.

COVID-19 dramatically exacerbated wealth disparities for Angelenos who faced precarity. Angelenos of color are particularly hard-hit by wage theft, wage gap, the housing crisis, and lagging post-COVID effects.

- An estimated 59% of Americans were one paycheck away from losing housing even prior to COVID-19.
- Low-income and Latinx households report particular hardship due to missed paychecks—65% of Hispanic households and 67% of households earning less than \$30,000 annually would be unable to pay for necessities if they missed more than one paycheck.
- Black people experiencing homelessness are overrepresented, comprising 31.7% of Los Angeles County's unhoused, despite only representing 7.6% of the population.
- Los Angeles is the unhoused capital of the country, leading the nation in the total number of unhoused residents.

#### Policy Options

**Unitary Enforcement: One-Stop Shop to Enforce Your Rights:** Bad employers don't stop at a single labor standards violation. Workers who receive less than minimum wage are likely to experience violations of laws protecting their paid sick leave, accrued overtime, occupational safety, and discrimination-free workplaces.

**Efficient, Strategic Enforcement:** Different enforcement agencies should develop shared strategic enforcement protocols. Enforcement data show efficiencies of scale when agencies prioritize bad actors in key industries for key violations, instead of waiting for complaints to trigger investigations.

**A Pipeline to Good Jobs and Good Enforcement:** Anecdotal evidence points to the value of deeply committed agency staff to produce quality outcomes. Workforce development pipelines into wage investigation and community outreach positions promise two benefits: a pathway to good jobs for Angelenos otherwise shut out of quality employment, as well as an agency staffed with personnel from affected communities.

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## POLICY RECOMMENDATIONS

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1. **We propose memoranda of understanding (MOUs) that dictate information-sharing and stop the clock on claims filed between all levels of government.**

This includes:

- Los Angeles Office of Wage Standards
- Los Angeles Civil and Human Rights + Equity Department
- Community Investment for Families Department
- Office of Immigrant Affairs
- City Attorney
- County Department of Public Health
- County Department of Consumer and Business Affairs
- State and federal counterparts within the Department of Labor, Department of Industrial Relations, and Offices of Occupational Safety and Health.

2. **Contracting community-based organizations.**

In Los Angeles, **overtime and the right to meal and rest breaks** are the two most commonly-violated labor standards—an astonishing violation rate of 80%. The Los Angeles Office of Wage Standards should prioritize these violations as authorized by California Labor Code Section 1205. Likewise, data show that agencies achieve better enforcement outcomes when they leverage trusted partners. This includes contracting community-based organizations for:

1. **Outreach and education,**
2. **Identification of bad actors, and**
3. **Assistance with ongoing investigations.**

3. **A Pipeline to Good Jobs and Good Enforcement**

We propose a workforce development pipeline that prioritizes candidates who participate in workforce readiness programs that target systemically-impacted workers. This will create good-quality jobs that pay a living wages in safe and healthy workplaces while ensuring workers have a free and fair choice to organize.

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To learn more about these issues and other ways to support, contact us at [info@lawcnetwork.org](mailto:info@lawcnetwork.org) or visit [www.laworkercenternetwork.org](http://www.laworkercenternetwork.org).

